BRITISH COLUMBIA
The Best Place on Earth

BC Stats

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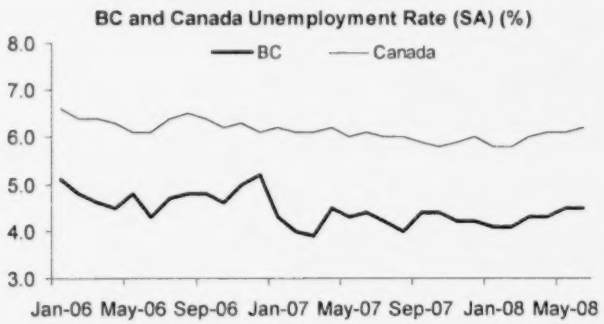
Current Statistics ◆ July 2008

- **British Columbia's unemployment rate was unchanged at 4.5% (*seasonally adjusted*) in June, as a 0.3% increase in the size of the labour force was matched by a similar (+0.2%) rise in the number of people with jobs.** The Canadian jobless rate inched up to 6.2%. June was the fourth straight month in which there has been little or no change in the number of jobs for Canadian workers, and the third month in which labour force growth has stalled. *Data Source: Statistics Canada*

- **BC's job growth occurred despite continued weakness in the goods industries, where employment fell (-0.3%) for a third straight month.** The construction industry (-2.1%) cut back, but manufacturing (+1.3%) added more workers to the payroll. The service sector rebounded (+0.3%), with trade (+2.3%), professional, scientific & technical services (+2.3%), transportation & warehousing (+4.2%) and miscellaneous services (+4.9%) posting strong gains. However, there were fewer jobs in information, culture & recreation (5.3%) and accommodation & food services (-3.9%).
Data Source: Statistics Canada



- **Year-to-date lumber production at BC's sawmills continued to slide, dropping 23.3% to 10.4 million cubic metres in April compared to the previous year.** Output at Interior mills fell 23.8%, while Coastal production was down 18.7%. Shipments of lumber decreased 21.9% in the first four months of 2008 compared with the same period last year.
Data Source: Statistics Canada

- **BC's exports recorded a second straight month of strong growth in May (+10.4%, seasonally adjusted) as a 32.8% jump in shipments to markets other than the United States more than offset a 7.3% drop in exports to the US itself.** The main drivers of the growth to overseas markets were a 58.8% spike in energy products, particularly coal, and a 53.0% hike in shipments of industrial and consumer goods. The slump in shipments to the US was mainly the result of a 25.4% drop in exports of energy products and the continuing weakness in exports of forestry products (-4.1%).
Data Source: BC Stats

- **Housing starts in the province slipped 8.8% in May, following a relatively uneventful April (+0.5%).** Canadian starts also declined (-4.3%), with new home building activity dropping off in seven provinces. The most significant decrease was recorded in Alberta (-25.5%), while neighbouring Saskatchewan (+47.1%) posted the most notable growth.
Data Source: CMHC

- **The value of building permits issued by BC municipalities climbed 5.7% (*seasonally adjusted*) in May, on the strength of planned activity in the non-residential (+30.7%) sector.** Permits for institutional & government buildings nearly quadrupled (+268.6%), with a less substantial increase in commercial (+11.8%) and industrial (-8.4%) projects. Planned spending on residential buildings was down 7.9%.
Data Source: Statistics Canada

- **Compared to the same period last year, the value of building permits issued by BC municipalities was down 7.1% during the first**

five months of 2008. Building intentions were up in most parts of the province, but the two largest regions recorded substantial declines. Mainland/Southwest (-10.4%) saw slips in residential, commercial and institutional projects, while for Vancouver Island/Coast, strength in the commercial and industrial sectors was outweighed by drops in residential and institutional projects. In the rest of the province, increases in the value of permits ranged from 4.4% in Cariboo to 37.7% in Kootenay, where the values of residential, industrial and commercial building permits were up significantly from last year. *Data Source: Statistics Canada & BC Stats*

- **Shipments of goods manufactured in BC climbed (+2.2%, *seasonally adjusted*) to $3.5 billion in May adding to the 0.8% increase recorded in April.** Shipments of durable goods were on the rise (+1.2%) as sales by producers of wood (+4.0%), non-metallic minerals (+4.2%) and primary metal products (+1.9%) served to offset declines in the machinery (-8.3%) industry.

  Non-durable shipments also fared well on the strength of sales by manufacturers of paper (+5.6%) and food (+1.2%) products. Overall, shipments of non-durable goods climbed 3.5%.

  Data Source: Statistics Canada

- **Wholesale sales in the province continued to see-saw in May, falling 1.3% (*seasonally adjusted*), following an upturn (+3.7%) in the previous month.** Most other provinces posted gains, with the biggest increases seen in Saskatchewan (+5.8%) and Alberta (+4.7%).Total Canadian sales (+1.6%) escalated for the third straight month, with much of the increase attributable to the personal & household goods (+1.4%) and "other products" (+9.5%) sectors. "Other products" includes agricultural fertilizers, where sales were a whopping 57.7% higher in May than in the same month last year.

  Data Source: Statistics Canada

- **Sales by retailers in the province were unchanged in May (*seasonally adjusted*).** Retailers of clothing & accessories (+5.0%) and building & outdoor home supplies (+1.9%) made solid gains, as did general merchandisers (+1.3%) but others did not fare as well. Despite soaring prices, gas stations posted only a modest (+0.6%) increase in sales, suggesting that consumers may have been driving less in May. *Data Source: Statistics Canada & BC Stats*

- **British Columbia's year-over-year inflation rate increased to 3.0% in June as skyrocketing energy prices (+16.9%) pushed up the Consumer Price Index (CPI).** Nearly half (1.3 percentage points) of the increase in the CPI was due to higher energy prices. Excluding energy, the province's inflation rate would have been just 1.7%.

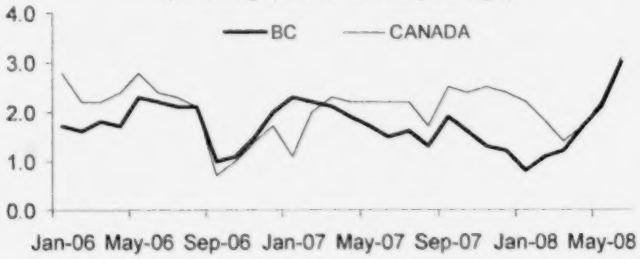
  Shelter (+3.4%) and transportation (+5.8%) costs were most affected by rising fuel prices. Motorists spent a whopping 25.9% more to fill up their tanks, while homeowners faced even bigger increases (+38.7%) in the cost of fuel oil. Travellers also took a hit, with air, ferry, bus and other intercity transportation fares rising 13.3%.

  Renters paid an average of 2.0% more for housing. The cost of owned accommodation increased 3.7%, reflecting higher prices for fuel, maintenance, property taxes, electricity and water.

  Consumers forked over 3.1% more for food, with grocery bills rising 3.3%, and restaurant meals costing 2.6% more than in June 2007. The rising cost of grains was reflected in a 10.2% increase in the index for bakery & other cereal products.

  Data Source: Statistics Canada

BC and Canada Inflation Trend
(% change, same month year ago)



MONTHLY STATISTICS

	UNITS	REFERENCE PERIOD	CURRENT			MONTHLY AVERAGE YEAR-TO-DATE	
			LATEST MONTH	% CHANGE FROM LAST MONTH	% CHANGE FROM YEAR AGO	AMOUNT	% CHANGE FROM YEAR AGO
PRICES							
Consumer Price Index-BC	2002=100	Jun '08	113.6	0.7	3.0	111.5	1.7
Consumer Price Index-Vancouver	2002=100	Jun '08	113.9	0.6	3.1	111.9	1.9
Consumer Price Index-Victoria	2002=100	Jun '08	113.0	0.6	2.8	111.1	1.2
Consumer Price Index-Canada	2002=100	Jun '08	115.4	0.7	3.1	113.4	2.1
Consumer Price Index-USA	1982-84=100	Jun '08	218.8	1.0	5.0	214.4	4.2
Industry Price Index-Canada	1997=100	Jun '08	122.7	1.3	5.4	118.9	1.5
LABOUR							
Unemployment Rate (SA)*-BC	Percent	Jun '08	4.5	(4.5)	(4.4)	4.3	(4.2)
Unemployment Rate (SA)-Canada	Percent	Jun '08	6.2	(6.1)	(6.1)	6.0	(6.1)
Unemployment Rate (SA)-USA	Percent	Jun '08	5.5	(5.5)	(4.6)	5.1	(4.5)
Unemployed (SA)-BC	Thousand	Jun '08	110.0	1.7	5.2	104.1	4.2
Employed (SA)-BC	Thousand	Jun '08	2,321.8	0.2	2.7	2,315.0	2.6
Labour Force (SA)-BC	Thousand	Jun '08	2,431.9	0.3	2.8	2,419.1	2.7
Participation Rate (SA)-BC	Percent	Jun '08	66.8	(66.8)	(66.3)	66.8	(66.3)
Regular EI Benefits Paid	$Million	May '08	58.0	-8.6	11.1	69.8	5.5
Regular EI Beneficiaries	Persons	May '08	36,310	-16.4	-2.7	46,162	1.0
Average Weekly Wage Rate-BC	Dollars	Jun '08	782.92	0.7	5.8	772.06	3.9
Wages and Salaries-BC (SA)	$Million	Mar '08	7,611.6	0.5	7.1	7,575.4	7.2
Fixed-Weighted Earnings Index-BC	1996=100	May '08	120.3	-0.1	3.6	120.4	4.0
PRODUCTION - BC							
Lumber-Cubic Metres	Thousand	May '08	2,269.1	-20.4	-28.2	2,529.3	-24.2
Market Pulp Shipments-Tonnes	Thousand	May '08	369	-6.6	-2.9	371	-7.6
Newsprint Shipments-Tonnes	Thousand	May '08	55	-3.5	-36.8	52	-35.6
Other Paper Shipments-Tonnes	Thousand	May '08	163	1.2	0.6	161	1.0
Coal-Tonnes	Thousand	Apr '08	2,454.0	-3.2	4.1	2,272.0	15.1
Oil-Cubic Metres	Thousand	Mar '08	121.0	10.4	-12.3	114.9	-12.2
Natural Gas-Cubic Metres	Million	Feb '08	2,461.2	-14.4	0.6	2,667.8	4.7
Electric Power Generated	GW.h	Apr '08	5,127.2	-8.2	-6.1	5,885.4	-1.2
Manufacturing Shipments (SA)	$Million	May '08	3,482.5	2.2	-5.5	3,394.0	-7.5
GENERAL							
Housing Starts-All Areas BC(SAAR)**	Thousand	Jun '08	35.6	-8.5	-8.2	38.6	3.1
Housing Starts-USA (SAAR)**	Thousand	Jun '08	1,066.0	9.1	-26.9	1,034.0	-29.0
Building Permits-BC (SA)	$Million	May '08	1,137.4	5.7	-15.0	983.3	-6.2
Residential-BC (SA)	$Million	May '08	642.7	-7.9	-30.6	681.7	-4.3
Non-Residential-BC (SA)	$Million	May '08	494.7	30.7	20.2	301.7	-10.3
Retail Sales (NAICS) (SA)-BC	$Million	May '08	4,759.3	0.0	1.3	4,772.5	3.1
Wholesale Trade (NAICS) (SA)-BC	$Million	May '08	4,390.5	-1.3	-0.1	4,369.0	-1.2
Tourism Room Revenues (SA)-BC	$Thousand	Mar '08	168,563	-0.2	2.8	169,427	4.8
Business Bankruptcies-BC	Number	May '08	32	6.7	-23.8	34	-16.3
Consumer Bankruptcies-BC	Number	May '08	564	-2.4	-6.9	558	-6.3
Incorporations-BC	Number	May '08	2,508	-8.2	-13.1	2,543	-2.3
Exports Originating in BC (SA)	$Million	May '08	2,826.3	10.4	4.5	2,545.3	-8.7

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*SA indicates seasonal adjustment.

**SAAR indicates seasonally adjusted at annual rates.

Brackets () indicate that rates are shown instead of percentage changes.

ANNUAL STATISTICS

	UNITS	YEAR				PERCENT CHANGE		
		2007	2006	2005	2004	2006-2007	2005-2006	2004-2005
PRICES								
Consumer Price Index-BC	2002=100	110.0	108.1	106.3	104.2	1.8	1.7	2.0
Consumer Price Index-Vancouver	2002=100	110.2	108.0	106.0	104.0	2.0	1.9	1.9
Consumer Price Index-Victoria	2002=100	109.8	108.5	106.9	104.6	1.2	1.5	2.2
Consumer Price Index-Canada	2002=100	111.5	109.1	107.0	104.7	2.2	2.0	2.2
Consumer Price Index-USA*	1982-84=100	207.3	201.6	195.3	188.9	2.9	3.2	3.4
Industry Price Index-Canada*	1997=100	115.6	113.8	111.2	109.5	1.6	2.3	1.6
LABOUR								
Unemployment Rate-BC	Percent	4.2	4.8	5.9	7.2	n/a	n/a	n/a
Unemployment Rate-Canada	Percent	6.0	6.3	6.8	7.2	n/a	n/a	n/a
Unemployment Rate-USA*	Percent	4.6	4.6	5.1	5.5	n/a	n/a	n/a
Unemployed-BC	Thousand	100.0	109.6	132.9	159.2	-8.8	-17.5	-16.5
Employed-BC	Thousand	2,266.3	2,195.5	2,130.5	2,062.7	3.2	3.1	3.3
Labour Force-BC	Thousand	2,366.4	2,305.1	2,263.4	2,221.9	2.7	1.8	1.9
Participation Rate-BC	Percent	66.3	65.7	65.6	65.5	n/a	n/a	n/a
Total EI Benefits Paid-BC*	$Million	1,561.6	1,564.2	1,650.3	1,764.0	-0.2	-5.2	-6.4
Regular EI Benefits Paid-BC*	$Million	694.3	723.7	837.4	960.4	-4.1	-13.6	-12.8
Average Weekly Wage Rate-BC	Dollars	747.84	726.02	704.49	686.74	3.0	3.1	2.6
Wages and Salaries-BC*	$Million	86,841.2	81,623.0	74,454.9	69,606.6	6.4	9.6	7.0
Fixed-Weighted Earnings Index-BC*	1996=100	116.8	112.8	109.0	106.2	3.5	3.5	2.6
PRODUCTION - BC								
Lumber-Cubic Metres*	Thousand	36,677.3	41,050.7	41,012.9	39,879.3	-10.7	0.1	2.8
Market Pulp Shipments-Tonnes*	Thousand	4,717	4,736	4,932	4,724	-0.4	-4.0	4.4
Newsprint Shipments-Tonnes*	Thousand	846	1,059	1,076	1,135	-20.1	-1.6	-5.2
Other Paper Shipments-Tonnes*	Thousand	1,917	1,960	1,877	1,841	-2.2	4.4	2.0
Coal-Tonnes*	Thousand	25,941.0	23,161.0	26,718.0	27,313.0	12.0	-13.3	-2.2
Oil-Cubic Metres*	Thousand	1,529.2	1,670.6	1,765.7	2,019.0	-8.5	-5.4	-12.5
Natural Gas-Cubic Metres*	Million	31,658.2	35,291.7	31,892.8	31,201.3	-10.3	10.7	2.2
Electric Power Generated*	GW.h	72,211.7	62,021.4	67,811.2	60,495.6	16.4	-8.5	12.1
Solid Mineral Shipments	$Million	5,671.6	5,990.6	4,924.8	3,674.5	-5.3	21.6	34.0
Farm Cash Receipts**	$Million	2,399.2	2,311.1	2,405.2	2,403.1	3.8	-3.9	0.1
Manufacturing Shipments*	$Million	43,204.0	44,552.5	43,212.5	42,146.9	-3.0	3.1	2.5
GENERAL								
Housing Starts-All Areas BC**	Thousand	39.2	36.4	34.7	32.9	7.6	5.1	5.3
Housing Starts-USA	Thousand	1,355.0	1,800.9	2,068.3	1,955.8	-24.8	-12.9	5.8
Building Permits-BC*	$Million	12,544.7	11,541.5	10,182.9	7,938.7	8.7	13.3	28.3
Residential-BC*	$Million	8,611.7	7,620.7	6,970.8	5,868.9	13.0	9.3	18.8
Non-Residential-BC*	$Million	3,933.0	3,920.8	3,212.1	2,069.8	0.3	22.1	55.2
Retail Sales (NAICS)-BC*	$Million	56,365.4	52,837.1	49,286.3	47,216.6	6.7	7.2	4.4
Wholesale Trade (NAICS)-BC*	$Million	53,547.7	49,328.3	45,447.4	42,364.8	8.6	8.5	7.3
Tourism Room Revenues-BC*	$Thousand	1,967.9	1,815.3	1,688.3	1,591.0	8.4	7.5	6.1
Business Bankruptcies-BC	Number	470	587	786	922	-19.9	-25.3	-14.8
Consumer Bankruptcies-BC	Number	6,650	7,021	8,173	8,378	-5.3	-14.1	-2.4
Incorporations-BC*	Number	30,841	30,667	28,593	25,428	0.6	7.3	12.4
Exports Originating in BC*	$Million	31,542.3	33,468.2	34,167.3	31,007.8	-5.8	-2.0	10.2
Capital Expenditures-BC	$Million	42,086.1	39,912.2	33,254.2	29,664.7	5.4	20.0	12.1
Population-BC (as of July 1)	Number	4,380,256	4,320,255	4,260,246	4,203,807	1.4	1.4	1.3

* derived from monthly figures

**derived from quarterly figures

dash (-) indicates not available

n/a = not applicable

July 31, 2008

ECONOMIC PERFORMANCE

GROSS DOMESTIC PRODUCT (GDP)

	YEAR				PERCENT CHANGE		
	2007	2006	2005	2004	2006-07	2005-06	2004-05
BRITISH COLUMBIA (Millions $Cdn)							
Gross Domestic Product at Market Prices	190,214	180,328	169,404	157,365	5.5	6.4	7.7
Real Gross Domestic Product **(chained 2002 $)**	163,200	158,335	153,208	146,629	3.1	3.3	4.5
CANADA (Millions $Cdn)							
Gross Domestic Product at Market Prices	1,531,427	1,446,307	1,375,080	1,290,828	5.9	5.2	6.5
Real GDP at Market Prices **(chained 2002 $)**	1,316,219	1,282,204	1,247,780	1,210,656	2.7	2.8	3.1
UNITED STATES (Billions $US) **							
Gross Domestic Product at Market Prices	13,841.3	13,194.7	12,433.9	11,685.9	4.9	6.1	6.4
Real GDP at Market Prices (chained 2000 $US)	11,566.8	11,319.4	11,003.4	10,675.8	2.2	2.9	3.1

*** US Department of Commerce (actual)*

INTEREST AND EXCHANGE RATES

(Source: Bank of Canada)

	July 30/08	July 23/08	June 25/08	July 25/07
	PERCENT PER ANNUM			
CANADA				
Prime Business Rate	4.75	4.75	4.75	6.25
Bank Rate	3.25	3.25	3.25	4.75
Marketable Government Bond Rate (over 10 years)	4.18	4.18	4.07	4.52
Conventional Mortgages - 1 Year	6.95	6.95	6.95	7.05
- 5 Years	7.15	7.15	7.15	7.24
UNITED STATES				
Prime Rate	5.00	5.00	5.00	8.25
EXCHANGE RATES				
US Dollar	1.0242	1.0088	1.0135	1.0425
Japanese Yen	0.0095	0.0094	0.0094	0.0087
UK Pound Sterling	2.0288	2.0196	1.9938	2.1381
European Euro	1.5935	1.5846	1.5779	1.4293

FORECASTS

	Real GDP		Unemployment Rate		Consumer Price Index	
	2008	2009	2008	2009	2008	2009
	% Change	*% Change*	*%*	*%*	*% Change*	*% Change*
BRITISH COLUMBIA						
BC Government (February 2008, Budget)	2.4	2.8	4.7	4.8	1.8	2.1
Credit Union Central BC (February 2008)	3.0	3.0	4.1	4.2	2.2	2.3
Conference Board of Canada (April 22, 2008)	2.7	2.9	4.1	4.1	-	-
Scotia Bank Group (July 21, 2008)	2.4	2.7	4.4	4.2	-	-
TD Bank (April 16, 2008)	2.2	2.7	4.2	4.9	1.2	1.7
CIBC WM Economics (June 12, 2008)	2.3	2.8	4.5	4.2	2.1	3.4
Global Insight (July 2008)	2.2	2.8	4.3	4.4	2.6	2.3
CANADA						
TD Bank (June 18, 2008)	1.0	1.8	6.1	6.6	2.3	2.1
CIBC WM Economics (June 12, 2008)	1.1	2.3	6.2	6.2	2.5	3.1
Global Insight (July 2008)	1.2	2.1	6.1	6.2	2.5	2.2
UNITED STATES						
TD Bank (June 18, 2008)	1.4	1.2	5.4	6.2	4.2	2.5
CIBC WM Economics (May 27, 2008)	1.1	2.2	5.3	5.3	4.1	4.0
Global Insight (July 2008)	1.6	0.9	5.3	6.0	5.3	3.3

dash (-) indicates not available